



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

February 17, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**LAC+USC MEDICAL CENTER REPLACEMENT FACILITY
AUTHORIZATION OF UPGRADE OF SURGICAL LIGHT/GAS COLUMNS
CONSTRUCTION
CHANGE ORDER
SPEC. 6550; (C.P. NO. 70787)
(First District) (4 Votes)**

JOINT RECOMMENDATIONS WITH THE CHIEF ADMINISTRATIVE OFFICER AND
THE ACTING DIRECTOR OF PUBLIC WORKS THAT YOUR BOARD:

1. Find that the recommended changes to the project are categorically exempt under California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines, Section 15301(a) and Class 1(d) of the County of Los Angeles Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.
2. Approve the plumbing, electrical, and structural changes required to accommodate upgraded ceiling mounted surgical lights/gas columns, at a cost not to exceed \$352,269, including \$34,269 in additional architectural

BOARD OF SUPERVISORS

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design fees, \$310,000 in estimated additional construction costs, and \$8,000 in estimated miscellaneous permitting expenditures, and no additional medical equipment costs, to be funded with short and medium term financing within the previously approved project budget.

3. Approve and authorize the Acting Director of Public Works to execute a Change Order to Contract PW-12641 with McCarthy/Clark/Hunt, a joint venture, or to contract through Job Order Contracts or purchase orders, for construction work necessary to accommodate the change for an estimated amount not to exceed \$310,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The recommended actions will upgrade the ceiling mounted surgical lights/gas columns previously approved by Health Services during the design phase for twenty-four operating rooms and one special urology procedure room (cystoscopy procedures) procedure room by revising the plumbing, electrical and structural support system. This will include infrastructure upgrades including additional power and emergency power receptacles, ambient lighting, and medical gas lines. The Project Advisory Committee for the Replacement Facility has reviewed the requested change.

The upgraded surgical lights/gas columns will provide Health Services with improved operating rooms as well as the opportunity for future integrated operating rooms. When the medical equipment program was developed in 1998-99, the integrated operating room was a new technology and not widely utilized. Currently the operating room integration has become the state-of-the-art technology in modern operating rooms, especially in academic teaching hospitals. This is primarily due to the teleconferencing capabilities and real-time interfacing with medical records, picture archiving, communication systems and other current clinical data.

Health Services may pursue a future change order which involves installing control stations in the operating rooms to integrate multiple pieces of equipment. These control stations will enable the surgeon to control multiple medical equipment functions from a touch screen, including endoscopic and field room cameras, monitors, recorders, printers, and light sources.

Construction Change Order

The upgrade of the ceiling mounted surgical lights/gas columns require a change order to the construction contract. Based upon preliminary information, the construction change is not expected to exceed \$310,000. The additional cost is primarily associated with modifications to the main and branch lines for the medical gases and electrical

circuitry upgrades to support the additional circuits on the gas columns. These modifications impact twenty-four operating rooms and one cystoscopy procedure room as well as structural upgrades for the surgical lights/gas columns due to the increased weight.

Implementation of Strategic Plan Goals

The actions meet the County's Strategic Plan Goal of Service Excellence by promoting best practice in patient care, and the Goal of Fiscal Responsibility by investing in the public infrastructure.

Consistency with DHS System Redesign

These actions meet the Department's strategic goals by improving the health care provided by DHS and enhancing the health of the residents of Los Angeles County.

FISCAL IMPACT/FINANCING:

On December 3, 2002, your Board approved a total project budget of \$820,558,000, which included contingency amounts in the design, construction and equipment portions of the budget. The recommended actions are estimated to cost \$352,269, but will not result in an increase to the approved project budget, as there are sufficient contingency funds in the budget to cover these costs. The Project Schedule and Budget Summary are included as Enclosure A.

The approved budget included \$39,488,624 in change order contingency funds of which approximately \$2.1 million has been allocated for construction changes related to Health Services scope changes, \$2.1 million for additional architectural and engineering services, and \$994,076 for permitting and plan check fees. Therefore, it is recommended that the estimated construction costs of \$310,000, design costs of \$34,269 and permit and plan check fees of \$8,000 associated with this request be funded from the appropriate contingency funds. The \$2.1 million in construction contingency resulted from value engineering savings and have been identified for use by DHS to fund scope changes.

The project budget is funded from a combination of a Federal Emergency Management Agency (FEMA) grant and short and long-term financing.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The proposed change order requires your Board's approval because it is expected to exceed the \$150,000 limit delegated to the Director of Public Works pursuant to Public

Contract Code Section 20142. If it is found, after cost negotiations, that the final value of the proposed change work exceeds the preliminary estimate of cost, we will return to your Board for approval.

A supplemental agreement for the additional architectural design services will be executed by Public Works under delegated authority.

ENVIRONMENTAL DOCUMENTATION:

On June 6, 2000, your Board certified the Environmental Impact Report/Environmental Assessment (EIR/EA) for the project. On June 7, 2000, FEMA issued a Findings of No Significant Impact for the project and approved the EIR/EA. The recommended changes to the project are categorically exempt under CEQA pursuant to State CEQA Guidelines, Section 15301(a) and Class 1(d) of the County of Los Angeles Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.

CONTRACTING PROCESS:

Design Services

On October 1, 1998, your Board awarded agreement PW11875 for \$45,025,000 to Hellmuth Obata Kassabaum + Lee Burkhardt Liu (HOK/LBL) to provide architectural design services, construction administration and medical equipment planning for the LAC+USC Medical Center Replacement Facility.

The proposed changes are required to accommodate the ceiling-mounted surgical lights/gas columns, by upgrading the piping for medical gases, and re-routing of all the surgical lights/gas columns to emergency power.

HOK/LBL has reviewed the scope of work and submitted a proposal for these supplemental services for a fee not to exceed \$34,269. Public Works considers this fee to be fair and reasonable for the work involved. This represents a .08 percent increase to the current contract and increases the not to exceed contract amount from \$45,020,000 to \$45,599,504 which represents a 1.28 percent total increase for all supplemental agreements.

Additional Construction Cost

On December 3, 2002, your Board awarded contract PW12461 to MCH for \$497,883,000, to construct the LAC+USC Medical Center Replacement Project.

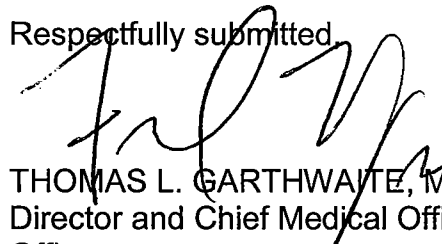
As a result of the proposed change, work beyond that included in the contract documents will occur. Implementing the proposed changes now will mitigate higher construction costs at a later date due to the impact of schedule delays. The full scope of work cannot be assessed accurately until the architect of record has completed the design work, but it is estimated not to exceed \$310,000. If the construction cost exceeds \$310,000, we will return to the Board for approval of the final cost associated with this work. Public Works is also reviewing alternative methods of accomplishing the proposed change, possibly through Job Order Contracts or purchase orders to avoid impacting the project schedule.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of this change will have no impact on existing hospital or patient care services.

Please return one adopted copy of this letter to the Chief Administrative Office (Capital Projects), Health Services, and Public Works.


Respectfully submitted,



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer
Officer



DAVID E. JANSSEN
Chief Administrative



for DONALD L. WOLFE
Acting Director of Public Works

TLG:DEJ:DLW:ame
Change letter or integration 02.10.05 500 pm

Enclosure (1) Enclosure A – Project Schedule and Budget Summary

c: County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller
Office of Affirmative Action Compliance

ENCLOSURE A

**LAC+USC MEDICAL CENTER REPLACEMENT PROJECT
AUTHORIZATION FOR SURGICAL LIGHT/GAS COLUMNS
CONSTRUCTION CHANGE ORDER
SPECS. 6550; C.P. 70787**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date	Actual Completion Date
Board Award Design Contract	07/98	07/98
Construction Documents	09/00	09/00
Jurisdictional Approvals	05/02	05/02
Award of Construction	12/03	12/03
Construction Start	01/03	01/03
Acceptance of Project	06/07	

II. PROJECT BUDGET SUMMARY

Budget Category	Current Board Approved Budget	Impact of this Action	Revised Project Budget
Land Acquisition	\$ 12,250,000	\$ 0	\$ 12,250,000
Make Ready (Bid Package A-1)	\$ 9,800,000	\$ 0	\$ 9,800,000
Construction			
Site Preparation	\$ 11,813,750	\$ 0	\$ 11,813,750
Remaining Construction Work			
(a) Base Bid	\$497,883,000	\$ 0	\$497,883,000
(b) Base Isolator Bearings	\$ 814,626	\$ 0	\$ 814,626
(c) Contingency (7.9 percent)	\$ 39,488,624	\$ 0	\$ 39,488,624
Remaining Work Subtotal	\$538,186,250	\$ 0	\$538,186,250
Construction Total	\$550,000,000	\$ 0	\$550,000,000
Equipment (Medical, Telecommunications/Data, and FFE)	\$ 96,964,000	\$ 0	\$ 96,964,000
Architectural Services	\$ 49,600,000	\$ 0	\$ 49,600,000
Consultants and Vendor Services	\$ 72,498,000	\$ 0	\$ 72,498,000
Permits and Fees	\$ 9,112,000	\$ 0	\$ 9,112,000
County Services	\$ 20,334,000	\$ 0	\$ 20,334,000
TOTAL	\$820,558,000	\$ 0	\$820,558,000